

VIA TELETYPE

DISPATCH		CLASSIFICATION SECRET	PROCESSING		
			PROPOSED	ACTION	ACCOMPLISHED
TO	CHIEF, EE			MARKED FOR INDEXING	
INFO.			XX	NO INDEXING REQUIRED	
FROM	CHIEF OF STATION, GERMANY			ONLY QUALIFIED HEADQUARTERS DESK CAN JUDGE INDEXING	
SUBJECT				ABSTRACT	
CABEZONE/HARVARD - CABEZONE AMENDMENT FY 1961			MICROFILM		
CABEZONE AND HARVARD APPROVAL FY 1962					
ACTION REQUIRED - REFERENCES					
A. EGFS-1697 /26 SEP 1960/ TRANSMITTED HARVARD FY 61 APPROVAL					
B. EGFS-1734 /11 OCT 1960/ TRANSMITTED CABEZONE FY 61 APPROVAL					
C. EGOT-8269 /06 JUL 1960/ REQUEST FOR FY 61 PROJECT CABEZONE AND HARVARD APPROVAL					
D. EGOW-362 /13 MAR 1959/ REQUEST FOR FIELD ESTIMATES FOR FUNDS FY 60 FOR HARVARD AND CABEZONE PROJECT APPROVAL					
1. [] WILL BE EMPLOYED AS A CONTRACT EMPLOYEE AT CABEZONE ON 24 APRIL 1961. /SEE EGOS-6559 DATED 18 OCTOBER 1960./ PLEASE AMEND PROJECT CABEZONE FOR FY 1961 TO PROVIDE FUNDS FOR THE FOLLOWING ADDITIONAL EXPENSES WHICH WILL BE INCURRED AS A RESULT OF HIS EMPLOYMENT-					
EXPENSES					
SALARY AT DOLLARS 500. PER MONTH					
24 APRIL - 30 JUNE 1961					
DOLLARS 1250.00					
ODIBEX QUARTERS 300.00					
SHIPMENT OF HOUSEHOLD EFFECTS 500.00					
STORAGE AND SEGREGATION OF HOUSEHOLD EFFECTS 200.00					

TOTAL INCREASE FOR DOLLARS 2250.00					
HQS DISBURSEMENT					
2. PLEASE AMEND PROJECTS CABEZONE AND HARVARD TO EXTEND THEM FOR ONE YEAR FROM 1 JULY 1961 TO 30 JUNE 1962. THE FOLLOWING FUNDS ARE REQUIRED-					
A. CONTRACT PERSONNEL DOLL 75000.00 DOLL --					
B. TRAVEL EXPENSES 40000.00 10000.00					
C. TRANSPORTATION OF THINGS 3000.00 5000.00					
D. COMMUNICATIONS 2000.00 500.00					
E. RENTS AND UTILITIES 30000.00 15000.00					
DECLASSIFIED AND RELEASED BY					
CENTRAL INTELLIGENCE AGENCY					
SOURCES/METHODS/EXEMPTION 3020					
NAZI WAR CRIMES DISCLOSURE ACT					
DATE 2007					
CLASSIFICATION					
SECRET					
DATE TYPED 13 APR 61					
DATE DISPATCHED TOR-					
DISPATCH SYMBOL AND NUMBER					
EGOT-11072					
HEADQUARTERS FILE NUMBER					
pfs					

CONTINUATION OF DISPATCH	CLASSIFICATION <div style="text-align: center;">S E C R E T</div>	DISPATCH SYMBOL AND NO. EGOT-11072 PAGE 2
F. OTHER CONTRACTUAL SERVICES G. COMPENSATION OF DEFECTORS H. INDIGENOUS HOUSEKEEPING PERSONNEL I. OPERATIONAL ENTERTAINMENT J. SUPPLIES K. EQUIPMENT L. RESETTLEMENT PAYMENTS	<div style="border: 1px solid black; padding: 2px; display: inline-block;">10000.00</div> 20000.00 3000.00 10000.00 5000.00 --	8000.00 <div style="border: 1px solid black; padding: 2px; display: inline-block;">5000.00</div> 1000.00 3000.00 2000.00 7500.00
TOTALS	[]	[]
DE GRAND TOTAL DOLLARS 315,500.00		
DISTRIBUTION- FIELD CASH - CABEZONE -	DOLLARS	[]
FIELD CASH - HARVARD -		
HQS OBLIGATIONS -		75,000.00
FIELD COST LIMITATION -		13,000.00
CABEZONE		
FIELD COST LIMITATION -		2,000.00
HARVARD		
EXPLANATION /KEYED TO ABOVE ESTIMATES/		
A. INCLUDES SALARY AND NOMINAL OVERTIME ESTIMATES FOR SEVEN CONTRACT EMPLOYEES 7		
B. INCLUDES HOME LEAVE ROUND-TRIP TRAVEL FOR CABEZONE CONTRACT EMPLOYEES AND THEIR FAMILIES, TRAVEL FOR DEFECTORS /PLUS AGENTS IN HARVARD/ AND OTHER PROJECT OPERATIONAL TRAVEL COSTS.		
C. TRANSPORTATION OF DEFECTOR AND AGENTS EFFECTS.		
D. COST OF TELEPHONES, CABLES, ETC. USED IN SUPPORT OF PROJECT ACTIVITIES AND SAFEHOUSES.		
<div style="display: flex;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); margin-right: 10px;">40% for 60% under</div> <div> E. COST OF APARTMENTS, HOUSES, UTILITIES, RENOVATION, ETC. UTILIZED BY PROJECT ACTIVITIES. WE CURRENTLY UTILIZE 45 PROPERTIES OF WHICH APPROXIMATELY 35 PERCENT ARE UTILIZED BY HARVARD. IN PREVIOUS YEARS CABEZONE ABSORBED HARVARD HOUSING COSTS. </div> </div>		
F. THIS INCLUDES MEDICAL AND DENTAL CARE OF SOURCES AND AGENTS AND OTHER SERVICES SUCH AS COST OF MOVING FURNITURE FROM THE DEPOT INTO OR OUT OF UNFURNISHED APARTMENTS, ETC.		
G. THIS INCLUDES CONSULTATION FEES, SUBSISTANCE, FOOD, CLOTHING, AND OTHER PAYMENTS MADE DIRECTLY TO THE AGENTS AND DEFECTORS IN THE FORM OF CASH AS OPPOSED TO COMMODITIES GIVEN TO THESE PERSONS.		
H. THIS INCLUDES THE ANNUAL SALARIES, PAYMENTS, SOCIAL SECURITY, ETC. PAID TO APPROXIMATELY 35 MAIDS AND HOUSEKEEPERS OF OUR OPERATIONAL HOUSING.		
I. THIS INCLUDES COST OF ENTERTAINING SOURCES AND AGENTS FOR MORALE PURPOSES AND OCCASIONALLY FOR OPERATIONAL MEALS WITH FOREIGN LIAISON SERVICES WHO VISIT OUR ACTIVITY.		
J. K. THIS REPRESENTS THE ANNUAL COST OF ALL EXPENDABLE AND NON-EXPENDABLE SUPPLIES, EQUIPMENT UTILIZED IN PROJECT ACTIVITIES. THIS INCLUDES FURNITURE OWNED BY KUBARK PLACED IN UNFURNISHED RENTED PROPERTIES.		
L. THIS INCLUDES MONEY GIVEN TO DEFECTORS AND AGENTS AT TIME OF RESETTLEMENT FOR LANDING MONEY, ETC.		
3. JUSTIFICATION. THE DE FIELD ALLOTMENT FOR FY 1961 WAS		

FORM 10-57 53a (40)	USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.	CLASSIFICATION <div style="text-align: center;">S E C R E T</div>	<div style="border: 1px solid black; padding: 2px; display: inline-block;">CONTINUED</div>
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CONTINUATION OF DISPATCH	CLASSIFICATION S E C R E T	DISPATCH SYMBOL AND NO. EGOT-11072 PAGE 3
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This doesn't add up - their estimate is lower.

DOLLARS 5,000.00 CASH, DOLLARS 10,000.00 COST LIMITATION AND
 DOLLARS 5,000.00 FOR HEADQUARTERS' OBLIGATION. TOTAL- DOLLARS
 CABEZONE - DOLLARS HARVARD - DOLLARS
 OUR FUND NEEDS FOR FY 1962 ARE CABEZONE - DOLLARS
 HARVARD DOLLARS

A. THE INCREASE OF DOLLARS 27,500.00 IN CABEZONE
 FUNDS IS OUTLINED AS FOLLOWS-

- 1/ TWO NEW PER ANNUM CONTRACT EMPLOYEE INTERRO-
GATORS AND DOLLARS 20,000.00
- 2/ HOME LEAVE TRAVEL FOR FOUR PER ANNUM CONTRACT
EMPLOYEES AND THEIR FAMILIES DOLLARS 16,000.00
- 3/ A PROJECTED INCREASE IN HOUSING AND FURNISH-
ING COSTS, INDIGENOUS EMPLOYEES' SALARY/COST OF LIVING
INCREASES AND THE NEED FOR SEVERAL ADDITIONAL INDIGENOUS
EMPLOYEES TO SUPPORT OUR OPERATIONAL PROPERTIES DUE TO
THE 40 PERCENT REDUCTION IN PROJECT STAFF SUPPORT
PERSONNEL. DOLLARS 15,000.00
- 4/ THE TOTAL CABEZONE INCREASE IS DOLLARS 51,000.00
LESS DOLLARS 23,500.00 OF FY 61 COSTS WHICH WILL BE
SHARED IN FY 62 WITH HARVARD. SEE PARA 3B BELOW.

B. THE INCREASE OF DOLLARS 23,500.00 IN HARVARD FUNDS
 IS OUTLINED AS FOLLOWS- HARVARD HAS IN PREVIOUS YEARS
 UTILIZED CABEZONE PROPERTIES WITHOUT CHARGE. HARVARD UTIL-
 IZES 35 PERCENT OF SOME 45 PROPERTIES AND ASSOCIATED MAID
 SERVICE, MAINTENANCE, ETC. HARVARD'S SHARE IN RENTS AND
 UTILITIES - DOLLARS 15,000.00, INDIGENOUS EMPLOYEES' SALARIES
 DOLLARS 5,000.00, AND SUPPLIES AND EQUIPMENT DOLLARS 3,500.00.
 TOTAL- DOLLARS 23,500.00.

C. AS OF 31 MARCH 1961, A TOTAL DOLLARS 8,436.56 HAS
 BEEN OBLIGATED AGAINST THE DE CASH ALLOTMENT AND DOLLARS
 8,436.56 AGAINST THE DE COST LIMITATION. THIS LEAVES UN-
 OBLIGATED DOLLARS 48,673.00 CASH AND DOLLARS 1,563.44 COST
 FOR FY 61. OUR SPENDING IS RUNNING EXACTLY AS WE OUTLINED
 IN REFERENCE 'C' AND IN OUR FY 1961 PROJECT APPROVAL.

D. CABEZONE/HARVARD HAS PROCESSED IN FY 1961 CONSIDERABLY
 MORE DEFECTORS, AGENTS AND THEIR FAMILIES THAN DURING THE
 SAME PERIOD OF FY 1960.

	FY 1960 1 JULY 1959 30 JUNE 1960	FY 1961 1 JULY 1960 31 MARCH 1961	ESTIMATED FY 1962
DEFECTORS	48	37	60
DEFECTORS AND FAMILIES	92	77	100
UNNUMBERED SOURCES, ASSESSMENT CASES AND FAMILIES	31	25	30
	ON HAND	RECEIVED	RESETTLED
	1 JULY 1959	FY 60	FY 60
HARVARD CASES	39	97	105.

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ON HAND 1 JULY 1960 31	RECEIVED FIRST 9 MONTHS FY 61 132	RESETTLED FIRST 9 MONTHS FY 61 110
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ON HAND
1 APRIL 1961 - 52

HARVARD ANTICIPATES THE CASE LOAD IN FY 1962 WILL AT LEAST EQUAL AND POSSIBLY EXCEED THE FY 1961 LOAD. THE DEMISE OF PL-85-316 AND OTHER LOCAL RESETTLEMENT OBSTACLES WILL CAUSE HARVARD TO INCUR ADDITIONAL COSTS AS DEFECTORS AND AGENTS WILL REMAIN IN OUR CUSTODY LONGER. HARVARD HAD THE MOST SIGNIFICANT INCREASE IN FY 61 MAINLY FROM THE MARKED INCREASE IN BERLIN BASE AGENT RESETTLEMENT REQUIREMENTS.

E. DURING FY 61 WE ACQUIRED 12 NEW OPERATIONAL APARTMENTS AND DROPPED OR WILL DROP PRIOR TO 30 JUNE 1961 TEN PROPERTIES WHICH WERE BLOWN THROUGH REDEFLECTIONS OR BECAUSE OF OTHER VALID SECURITY REASONS. IN DROPPING APARTMENTS IT IS NECESSARY TO RETAIN BOTH THE NEW AND OLD APARTMENTS UP TO FOUR MONTHS BECAUSE OF LEASING AGREEMENTS, ETC. RENTAL AND ASSOCIATED COSTS, ESPECIALLY WHEN WE MUST ACQUIRE SHORT TERM LEASES AND AVOID KEY MONEY TO PERMIT RAPID DROPPING OF THE APARTMENT WHEN BLOWN, HAVE INCREASED ABOUT 25 PERCENT. ALL OTHER OPERATIONAL COSTS HAVE INCREASED IN PROPORTION TO THE WORK LOAD. THESE COSTS INCLUDE BUT ARE NOT LIMITED TO WELFARE CLOTHING, LIQUOR, FOOD AND SUBSISTANCE, MAID SERVICE, MAINTENANCE OF APARTMENTS, TRANSPORTATION ALLOWANCES, ENTERTAINMENT, ETC.

F. WE HAVE GIVEN CONSIDERATION TO THE 5 PERCENT RE-EVALUATION OF THE GERMAN MARK IN COMPUTING THESE ESTIMATES.

4. WE HOPE THE ABOVE INFORMATION IS HELPFUL IN GIVING HEAD-QUARTERS A PICTURE OF THE ACTIVITIES AT CABEZONE AND HARVARD AND WILL BE AN AID IN THE PREPARATION OF OUR BUDGET AND PROJECT RENEWAL FOR FY 1962. FOR BACKGROUND INFORMATION WE HAVE ATTACHED A SHEET GIVING EXAMPLES OF TYPICAL COSTS FOR PROCESSING RECENT INDIVIDUAL DEFECTOR AND AGENT SOURCES.

APPROVED-

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ATTACHMENT - AS STATED

DISTRIBUTION
BY TAPE
2-EE

BY POUCH
X-WASH W/ATT *H/W*

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